

Info Sheet 2

Federal Revenues and Spending

Theme 1: Your Role As A Taxpayer

Lesson 1: Why Pay Taxes

The government provides public goods and services for the community as a whole. The government also regulates business activities and redistributes income. In order to pay its bills, the government needs revenue, or a source of income. The money that the federal government uses to pay its bills comes mostly from taxes. The circle graphs below show the revenues and expenditures for the federal government in 2001.

